Determining the **Home State**
Under Illinois Surplus Line Law

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**START HERE**

**A**
Is there more than one insured?

**B**
Determine the state of the insured’s *principal place of business* or, in the case of an individual, the individual’s *principal residence*.

**C**
Is 100% of the risk *outside* of the State determined in step (B), above?

**D**
The **Home State** is the state you determined in Step (B), above.

**E**
The **Home State** is the state with the greatest percentage of taxable premium allocated to it.

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**F**
Are the insureds affiliated?*

**G**
Do the individual insureds pay 100% of the premium from their own funds?

**H**
The **Home State** is the home state of the *group*, determined using Steps (B), (C), (D) & (E). All certificates get filed in the single home state.

**I**
Each insured’s certificate is treated as a separate policy. Determine the **Home State** of each certificate holder using Steps (B), (C), (D) & (E).

**J**
Determine which of the insured companies has the largest percentage of premium attributed to it.

**K**
Determine the state of *that* company’s *principal place of business*. That state is the **Home State**.

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* "Affiliate" means, with respect to an insured, any entity that controls, is controlled by, or is under common control with the insured. For the purpose of this definition, an entity has control over another entity if: (A) the entity directly or indirectly or acting through one or more other persons owns, controls, or has the power to vote 25% or more of any class of voting securities of the other entity; or (B) the entity controls in any manner the election of a majority of the directors or trustees of the other entity.

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